GOVERNMENT OF INDIA
NEW AND RENEWABLE ENERGY
LOK SABHA

UNSTARRED QUESTION NO:1029
ANSWERED ON:10.07.2009
PROMOTION OF SOLAR ENERGY
Rao Shri Sambasiva Rayapati;Ray Shri Rudramadhab

Will the Minister of NEW AND RENEWABLE ENERGY be pleased to state:

(a) whether the Government proposes to promote private sector participation in the development of solar energy;

(b) if so, the details thereof;

(c) whether the Government has formulated any scheme for promoting the use of Rooftop Solar Photovoltaic (SPV) systems to overcome power storage in the country;

(d) if so, the details thereof;

(e) whether Government proposes to provide assistance /capital subsidy to the units engaged in manufacturing solar photovoltaics; and

(f) if so, the details thereof?

Answer

THE MINISTER OF NEW AND RENEWABLE ENERGY(DR. FAROOQ ABDULLAH)

(a) & (b): Yes Sir.The Ministry has announced a demonstration programme to support megawatt size grid interactive solar power generation projects for a total capacity of 50 MW, in the country. Any registered company, including private company, is eligible to set up solar power projects on build, own and operate basis. Proposal from each project developer with a maximum aggregate capacity of 5 MW, either through a single project or multiple projects of a minimum capacity of 1 MW each, would be considered. A maximum of 10 MW capacity solar power generation projects are to be considered in a State.Preference would be given to the projects from the States where the State Electricity Regulatory Commissions (SERCs) have announced tariff for solar power. For the projects approved and commissioned by 31st December, 2009, the Ministry will provide generation based incentive up to Rs.12 per kWh for solar photovoltaic power and Rs.10 per kWh for solar thermal power fed to the grid by the solar power project developers, after taking into account the tariff provided by the SERC or the utility.

(c)&(d): Ministry has recently announced a new demonstration programme to support solar photovoltaic roof top systems to generate solar power during the day time, which aims at reducing the diesel consumption for power generation. Under the programme Ministry provides subsidy of Rs. 100 per watt for non-commercial/industrial applications and Rs. 75 per watt for commercial and industrial applications.A total capacity of 4.25 MW is proposed during the 11th plan period.

(e)&(f): Ministry of Information Technology is implementing a policy to provide subsidy for manufacture of semiconductor devices, including solar photovoltaic devices.Under the scheme manufacturers of solar photovoltaic devices and materials are also eligible to avail subsidy, up to 25% of the capital investment, provided investment of at least Rs. 1,000 crores is made over a period of ten years.